

VTF 2006

VIA Technology Forum

Windows Vista Brings High
Definition to Mainstream
Computing

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Agenda

- **The two Vectors: Gaming & Media**
- **Drivers for High Definition Computing**
- **Impact of Windows Vista**
- **Requirements for Mainstream Gaming**
- **Requirements for Media Centers**
- **Requirements for Media Hubs**
- **Unique HD Windows Vista Opportunities**
- **Web 2.0 HD Opportunities**
- **Vista Delay Impact**
- **Strategies for 4th Quarter 2006**

The two Vectors: Gaming & Media

- **Gaming**

- Game Physics
- Improved AI
- Vastly Improved Graphics (Dual Card)
- 77M Gamers, 20% making over \$75K



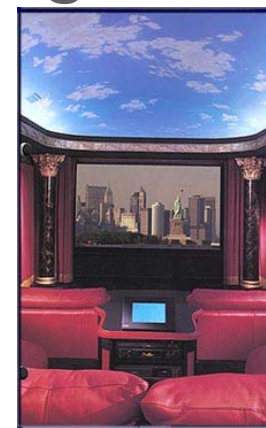
- **Media**

- HD Movies
- HD TV
- HD Home Video



Drivers for High Definition Computing

- **Increased Reality**
- **HD TV Sets Proliferating**
 - 49% of HDTV Owners don't take advantage of HD
 - HDTV Market to reach \$65B by 2009
- **PC/TV Use on Upswing**
 - 13m PC TV tuners sold in 2005
 - Projected 37M IPTV Users in 2009 17M in China



Impact of Windows Vista

- **Cable Card**
 - HD Content
- **Aero Glass**
 - HD Experience
- **Enhancements:**
 - Search
 - DirectX 10
 - Networking
 - Security (DRM)



Requirements for Mainstream Gaming

- Upgradeable (Multi-Card)
- Target Price Range \$500 - \$1,000
- Unique Colors/ID
- High Speed Drive
- Options:
 - Flash (Snowgrass)
 - Customization
 - Game Bundles
 - Controller Bundles



Requirements for Media Centers

- CE Product Design (Black or Silver)
- Simple Choices (Avoid Complexity)
- Quiet
- Price Target \$500
- Large (Upgradeable) Hard Drive
- CE Experience (Out of Box)
- Strong Support
- Think Appliance
- Options:
 - Services
 - Bundles
 - Flat Panel TV
 - Media Hub
 - Portable Media Player
 - Media Extenders



Requirements for Media Hubs

- **Appliance –Dead Quiet**
- **Price Target: Sub \$300**
- **Universal Plug and Play**
- **Easy Security**
- **Easy Networking**
- **Easily Upgraded**
- **Back-Up Features**
- **Personal Web Server**
- **Options: Services**



Unique HD Windows Vista Opportunities

- **Key Related Messages**

- Secure
- Easier to Set Up and Use
- Media Access (Cable Card)
- Strong Sync (Media Accessories)
- Solid Gaming and Multi-Media Improvements



- **Revenue**

- Services (Upgrade/Content/Installation)
- Hardware (systems, accessories, software)
- Store/Web Traffic

Web 2.0 HD Opportunities

- **Web 2.0**

- Blurs Desktop and Web
- MMOGs
- Services Based:
 - Music/Movie/Repository/Security/Maintenance



- **Opportunities**

- Services Based Subsidies
- Captured Eyes (through the services)
- Annuity Revenue
- Customer Loyalty



Windows Vista Delay Impact

- **Reduce PC Demand in 4th Quarter**
 - Confusion
 - Fear of Obsolescence
 - Fear of Upgrade
- **Increase Accessories Demand**
- **Increase Upgrade Opportunities**

Strategies for 4th Quarter 2006

- **Focus on Accessories**
- **Favor Products that are Easy to Upgrade**
 - Seamless Upgrades (Download Option)
 - Windows Vista Ready
- **Incentives:**
 - Bundles, Rebates, Free Upgrades
 - Pre-Purchase (Discounted) "Be the First"